months despite the assurances by DESU;

(b) if so, what are the main factors responsible for such power crisis; and

(c) what steps are being taken to improve the power supply in Delhi and its nearby areas during the next year?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRIMATI SUSHILA ROHATGI): (a) and (b) There has been no power crisis in Delhi. A shortage of power has been experienced as the demand in the States of the Northern Region has increased due to drought conditions and the requirement of the agricultural sector has to be met on a priority basis.

(c) The demand for power is proposed to be met next year from DESU's own generation which is being augmented, increased supply from the Badarpur Thermal Power Station, and DESU's share in the new capacity to be added in the Central sector in the Northern Region. Assistance to the extent possible would also be provided to DESU from the Northern Grid.

Setting up of National Power Grid

*37. DR. G. VIJAYA MOHAN REDDY:
SHRI NAGEN SAIKIA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what steps have been taken by Government to set up another oil-refinery in the Public Sector in Assam; and

(b) by when Government propose to complete the above project?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) and (b) During the negotiations leading to the Assam Accord, Government of India had agreed, *inter-alia* "to establish an oil refinery in Assam. Government will render all possible assistance in terms of institutional and bank finance to facilitate the establishment of a refinery in the private sector."

Government of Assam have however requested that this refinery should be set up in the public sector. The proposal to set up the refinery in the public sector is under the consideration of Government. The Project will take five years to be completed from the date of final approval by the Government of India.

Recession in Engineering Industry

*38. SHRI DIPEN GHOSH:
SHRI K. MOHANAN:

Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Engineering Industry is undergoing demand constraints, adversely affecting its growth rate;

(b) if so, what are the reasons for such a recession; and

(c) what steps are proposed to be taken by Government to tackle the situation?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) According to the Index of Industrial Production, the Engineering Industry registered a rate of growth of 13.2 per cent in 1986-87. During April-May 1987, it registered further growth rate of 12.4 per cent as against 5.1 per cent during the corresponding period of 1986.

In view of this, it will not be correct to say that the Engineering Industry as a whole is facing demand recession.